

March 3, 2020

TESTIMONY IN SUPPORT OF  
H.B. 5366, AN ACT CONCERNING THE COST OF PRESCRIPTION DRUGS  
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H.B. 5361, AN ACT LIMITING CHANGES TO PRESCRIPTION DRUG  
FORMULARIES AND LISTS OF COVERED DRUGS.

Good Morning Senator Lesser, Representative Scanlon, Senator Kelly, and  
Representative Pavalock-D'Amato, and members of the Insurance and Real Estate  
Committee:

The costs of potentially life-saving prescription drugs are out of control.  
According to a report by Rx Savings Solutions, in 2019 more than 3,400 drugs had  
prices boosted their prices, amounting to a 17% increase compared with the roughly  
2,900 drug price increases at the same time in 2018.

Price gouging affects every Connecticut resident. According to the CT Health  
Policy Project, Connecticut is second in most spent per person on prescription drugs.  
The AARP's Rx Price Watch Report found that, “spending increases driven by high  
and growing drug prices will affect all Americans in some way. Those with private  
health coverage will pay more in cost sharing and higher premiums for their health  
care coverage.” For those requiring prescription drugs for a chronic ailment, the  
average annual cost of therapy for one widely used drug reached almost \$20,000 in  
2017. Additionally, in 2018 the average senior taking brand name drugs to treat  
chronic conditions saw costs potentially climb as high as \$30,000 just for prescription  
drugs.

We must be committed to finding common-sense solutions to ensure Connecticut residents have access to affordable prescription drugs, and that is why I support H.B. 5366. The aggressive policy initiatives in the bill include capping the monthly out of pocket cost of prescription drugs, as well as a cap on the cost of prescription drugs tied to the consumer price index. Sections 3 to 8 would establish a program to import prescription drugs from Canada with standards to trace and verify the safety of such drugs. Section 9 would shed more light on “pay-for-delay” contracts that pay generic drug manufactures to not bring cost-saving drugs to market. These contracts represent the true greed of the drug manufacturers who use their exorbitant wealth to keep drug prices high.

Section 11 of the bill adopts the same provisions in H.B. 5361, a bill I strongly support because it would protect patients from formulary changes during the term of their health insurance policies. It is simply unfair that if a patient buys a health insurance policy that includes prescription drug coverage for a specific drug that the health insurer can then change the formulary during the policy term and exclude that drug. A 2018 report issued by a special commission in Massachusetts tasked with reviewing non-medical switching determined 64% of patients with a chronic or rare disease have experienced non-medical switching. 70% of patients who experienced a switch reported the new medication worked somewhat or much worse than the original prescribed medication.

Thank you for raising these important bills.